

DEFERRED COMPENSATION ADVISORY COMMITTEE
MINUTES

Thursday, October 23, 2008

For information about this meeting, contact the Deferred Compensation Program Office at (408) 975-1465 or email DeferredCompensation@sanjoseca.gov

Chair Pascal Roubineau called the Deferred Compensation Advisory Committee meeting to order at 9:10 a.m. on Thursday, October 23, 2008, City Hall, Wing-118.

Roll Call

Pascal Roubineau, Chair	Employee's Representative (277-2660)
Peter Jensen, Vice Chair	City Manager's Representative (938-2025)
Donna Busse	Management Employees' Representative (392-6709)
Trish Glassey	Employees' Representative (975-7282)
Conrad Taylor	Police Representative (POA 277-4012)

Excused Absence

Mark Skeen	Firefighter Representative (IAFF 286-8718)
Julia Cooper	City Manager's Representative (535-7011)

Also Present

Linda Bjorke	City Attorney's Office
Jeanne Groen	Human Resources, Deferred Compensation Secretary
Courtney Phommachack	Human Resources, Deferred Compensation Staff
Sue Bradford-Moore	Retiree
Gary Bozin	ING
Peter Belardinelli	ING
Tina Smith	Human Resources, Deferred Compensation Staff
Amy Moody	Human Resources, Deferred Compensation Staff
Bill Tugaw	Consultant, SST Benefits
Sue Bradford-Moore	Retiree
Brad Imamura	Public Works- Real Estate Division
Adora Gailo	Finance
Tony Camp	ING
Chuck Christensen	Retiree
Katy Wojciechowski	Senior Portfolio Manager
Bud Hancock	Senior Portfolio Specialist and Head of Stable Value
Patrick Sawiki	Finance
Renee Brown	Insurance Company

9:00 – 11:00 A.M.

October 23, 2008

City Hall, W-118

NOTE: If you have any questions or concerns, please contact Courtney Phommachack at (408) 975-1433

200 East Santa Clara Street San José, CA 95113 **tel** (408) 975-1465 **fax** (408) 999-0889 www.sanjoseca.gov

APPROVAL OF MINUTES

1. **M.S.C.** (Glassey/Busse) to approve minutes for August 28, 2008 with a correction on item 7, to **M.S.C.** (Jensen/Taylor)

OLD BUSINESS

2. Verbal Update regarding Staffing
Jeanne Groen reported that the recruitment for Senior Analyst candidates is completed. Interviews will be completed in the first week of November.

3. Verbal Update Regarding Current Market Affect on the Performance of Stable Value

Peter Belardinelli, ING, introduced Tony Camp, ING Life Insurance and Annuity Company, and Bud Hancock and Katy Wojciechowski with ING Investment Management. Tony Camp provided an overview of the Stable Value Fund.

Bud Hancock and Katy Wojciechowski provided more detail on the Stable Value Portfolio and the Stable Value Contract with the City of San Jose and the overall market environment.

4. Verbal Update Regarding ING's Stable Value Fund Manager RFP
Tony Camp, Vice President of ING Stable Value Product Group, reported on the status of the Fund Manager RFP. They are currently interviewing the final five.

NEW BUSINESS

5. Informational, Discussion and Direction on Presentation by Genworth Insurance Company regarding Long Term Care Insurance premium payments from Deferred Compensation Plan for Public Safety Employees
Renee Brown from Genworth Insurance presented information regarding a program whereby retired Public Safety officers from eligible retirement plans may use pre-tax dollars to pay for Health Insurance premiums and Long-Term Care Insurance premiums through Deferred Compensation plans.
6. Financial Report for 4th Quarter
Patrick Sawiki presented an overview of the Financial Report for the Deferred Compensation Plan's fiscal year ended June 30, 2008.
7. Approval of Continuation Agreement for Audit Services by Macias, Gini & O'Connell, LLP(Formerly Macias, Gini & Company, LLP)
Jeanne Groen, Benefits Manager, asked the item be deferred because the agreement was not distributed and posted prior to the meeting.
8. Discussion and Direction to Staff Regarding DCAC Retreat and Deferred Compensation University
Jeanne Groen, Benefits Manager, stated that there has been some discussion on the retreat for next year and she is looking for direction in order to start planning. Also the Deferred Compensation University hasn't been held for some time and she asked for direction from the committee on that.

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M.S.C (Jensen/Glassey) to organize a Deferred Compensation University for the next spring.

Chair Roubineau requested the committee's thoughts on a retreat. Member Jensen inquired what would we discuss at the retreat. Member Glassey stated that if there are items that cannot be discussed at a regular meeting she is in agreement that a retreat should be scheduled. There will be further discussion regarding the retreat at the November. meeting.

INFORMATIONAL ITEMS

9. Legislative Activities

Bill Tugaw, SST Benefits, reported on the highlights of the 2008 NAGDCA Conference was filed. Jeanne Groen reported that the main message was that not only should the Deferred Compensation Committee be watching what is happening in the market but also watching what is happening with the IRS and what's going to be included as taxable income.

Jeanne Groen stated that perhaps we should bring in our fund managers on a more regular basis so that the committee has the direct contact with our investment managers.

10. ING Service Logs for August 2008

Filed.

11. Deferred Compensation Loan Program Usage

Filed.

12. August and September 2008 Fund Performance Summary

Filed.

13. San Jose Current Market Conditions and ING Letter

Peter Belardinelli, ING, stated that the Euro capital infusion program, in which ING has decided to participate, is a re-enforcement and rather than a bailout. The Dutch government offered to contribute up to 20 billion dollars to various banks in the Netherlands, and ING's parent company is housed in the Netherlands, so ING is able to take advantage of the program.

14. Next Meeting: Thursday, November 20, 2008, City Hall, Wing, W-118, 9:00 a.m.

PUBLIC COMMENTS

UNFORESEEABLE EMERGENCY WITHDRAWAL

15. None

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ADJOURNMENT

M.S.C (Glassey/Jensen) to adjourn at 11:06 a.m.

Pascal Roubineau, Chair
Deferred Compensation Committee

ATTEST:

Jeanne Groen, Staff
Deferred Compensation

NOTE: M.S.C. MEANS MOTION SECONDED AND CARRIED, UNLESS OTHERWISE INDICATED, MOTION PASSED UNANIMOUSLY.

